

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

March 10, 1987



ALL-COUNTY LETTER NO. 87-35

TO: ALL COUNTY GAIN COORDINATORS
ALL COUNTY WELFARE DIRECTORS

SUBJECT: JOBS TAX CREDITS AVAILABLE FOR GAIN AND
WIN DEMO REGISTRANTS

This letter transmits instructions and a state mandated form to be used when providing Greater Avenues for Independence (GAIN) registrants with a tax credit determination form for purposes of the Federal Targeted Jobs Tax Credit and the California Jobs Tax Credit programs. Additionally, this letter provides county welfare departments (CWDs) with information and instructions regarding other tax credits available to employers under the California Enterprise Zone and the Employment and Economic Incentive Area programs. Finally, this letter addresses applicability of these instructions to Work Incentive Demonstration (WIN Demo) registrants.

The Federal Targeted Jobs Tax Credit and California Jobs Tax Credit Programs

The Federal Targeted Jobs Tax Credit (TJTC) and the California Jobs Tax Credit (CJTC) programs have both been reenacted under the Federal Tax Reform Act of 1986 and the California Jobs Tax Credit Act (SB 1614, Chapter 1087, Statutes of 1986). During the GAIN appraisal process, the CWD must complete a written preliminary determination that a registrant is a member of a targeted group for purposes of the TJTC/CJTC programs (MPP Section 42-761.31). GAIN registrants may meet the "eligible employee" criteria for the federal program and are the only eligible group for purposes of the state tax credit (this also includes Refugee Cash Assistance and General Assistance recipients who, at county option, are participants in the GAIN program). The CWD records this determination on the Request for Jobs Tax Credit Certification Form (CA 501) and provides the form to the GAIN registrants. When the GAIN participant is hired, s/he gives the CA 501 to the employer. The employer, in turn must mail it to the Employment Development Department (EDD) Job Service (JS) office on or before the start date of employment. The EDD-JS office makes the final determination of eligibility for the tax credit by contacting the CWD and verifying the new employee's registration status at the time of hire. The EDD then provides the employer with certification for tax credit purposes. Counties are encouraged to contact the local EDD field office and establish a mechanism to facilitate this verification process. Inquiries regarding the tax credit program should be directed to the nearest local EDD-JS office.

The Department of Commerce (DOC) is in charge of administering these programs. Local community contacts have been established to answer any questions related to the tax incentives and other opportunities for business development. Attached is a list of the names, addresses, and phone numbers for each area representative.

Because these tax credits may enhance the employability potential of GAIN participants, local GAIN administrators and more specifically, GAIN staff responsible for job development, should become familiar with the content of the program and its linkage with GAIN.

Employers who hire qualified individuals, such as GAIN registrants, can claim the tax credits only if they obtain a voucher which verifies the individual's registration in a qualified employment or training program. This voucher is the Enterprise Zone Hiring Credit Voucher (DOC EZ 1). When the GAIN case manager/worker or job developer knows there is a realistic chance that the individual may be hired by a business located in a designated enterprise zone, the DOC EZ 1 is completed. It is not intended that the GAIN registrant attempt to inform the employer of the potential tax credits available under the Enterprise Zone Program. Rather, the job developer/GAIN worker in coordination with the local Enterprise Zone office should develop strategies to inform businesses of incentives, such as the tax credits, to be obtained by hiring GAIN registrants. Generally, the voucher is completed by the GAIN worker/job developer when active job search or on the job training begins. The DOC EZ 1 is available from the local enterprise zone offices. To ensure the successful implementation of this tax credit program, the CWDs are strongly encouraged to contact the local enterprise zone representative. Upon employer request, WIN Demo counties should also complete the DOC EZ 1.

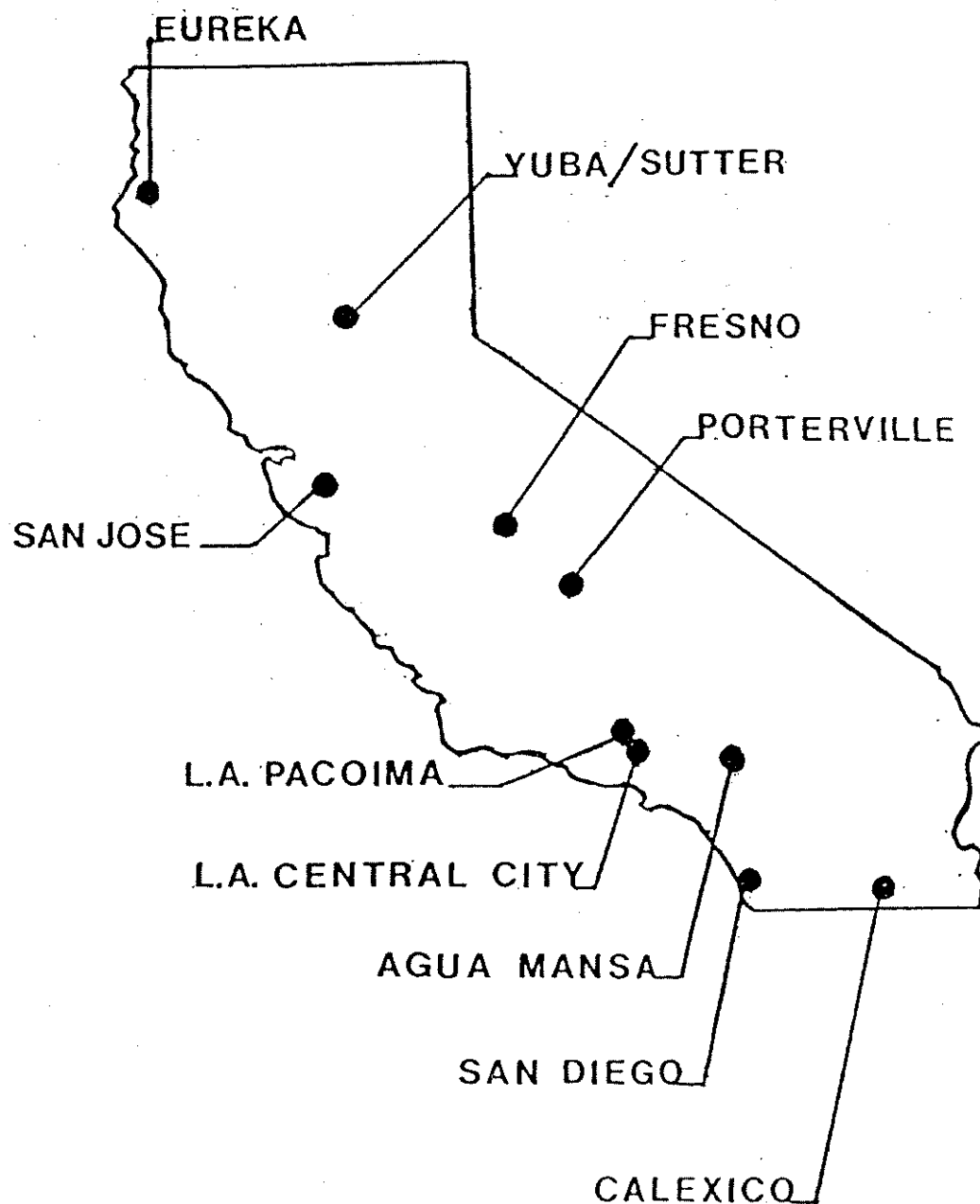
Questions regarding these forms or usage should be directed to your GAIN County Operations Consultant at (916) 324-6962 or ATSS 454-6962 or your WIN Demo Consultant at (916) 323-5206 or ATSS 473-5206. Questions regarding the TJTC/CJTC programs should be directed to the Tax Credit Specialist at the local EDD Office in your area. Please refer to the DOC contact list if you have questions regarding the Enterprise Zone or Incentive Area program tax credits.

Carl B. Williams
 CARL B. WILLIAMS
 Deputy Director
 Employment and Community
 Services Division

Attachment

cc: CWDA

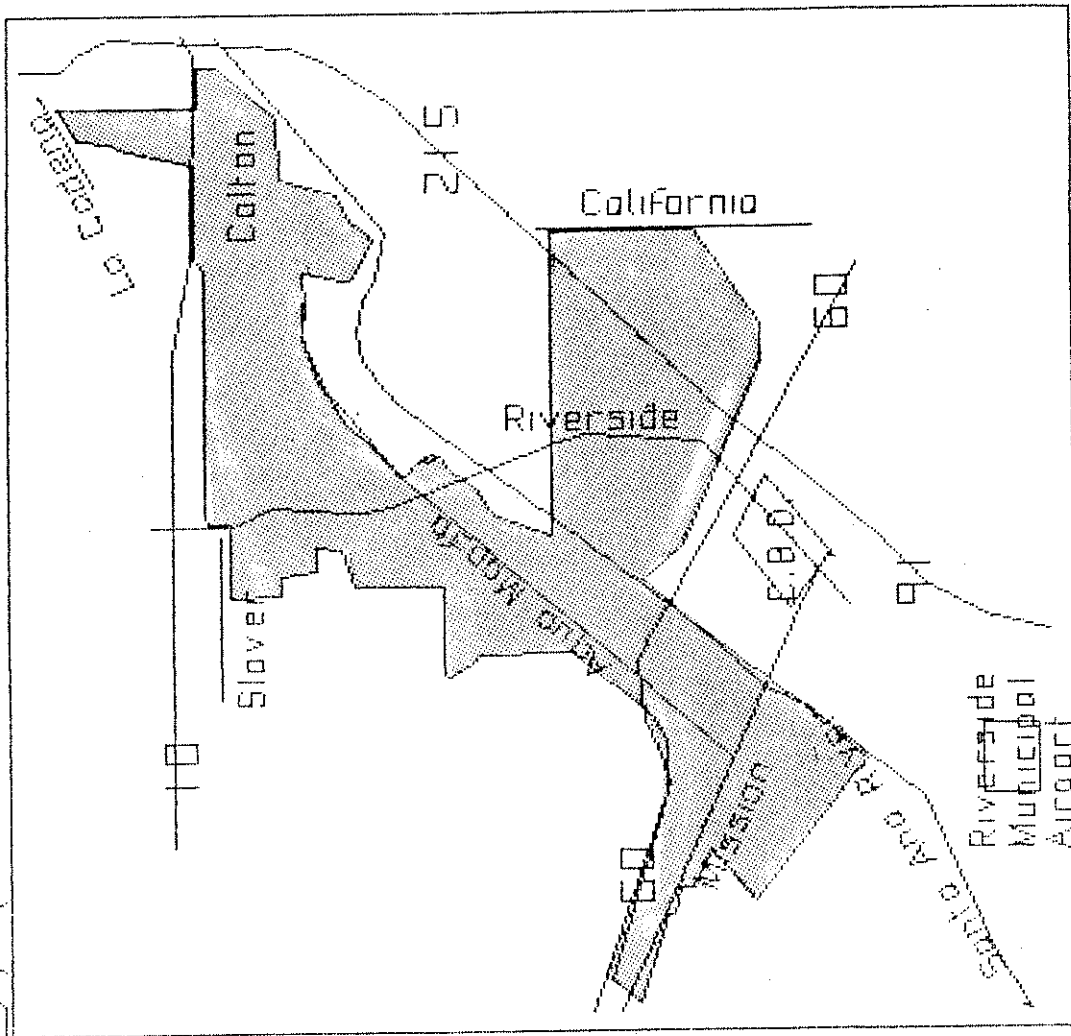
CALIFORNIA ENTERPRISE ZONES



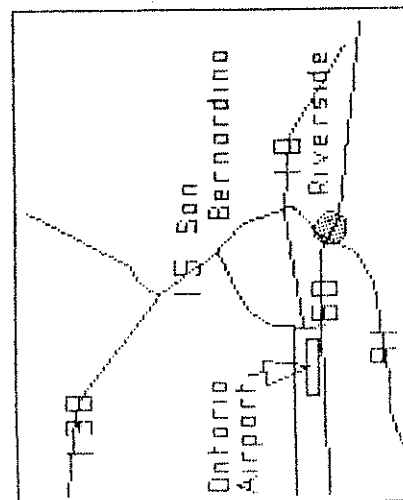
AQUA MANSA

ZONE MAP

24.9 SQ. MI.

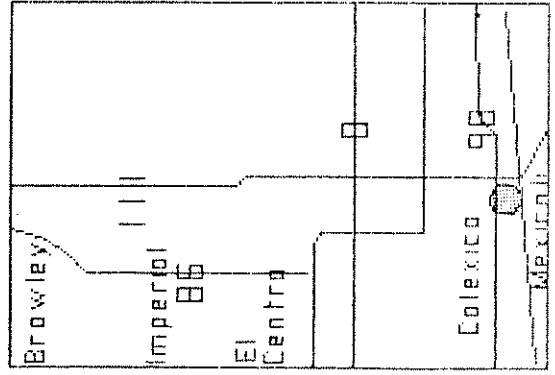


REGIONAL LOCATION

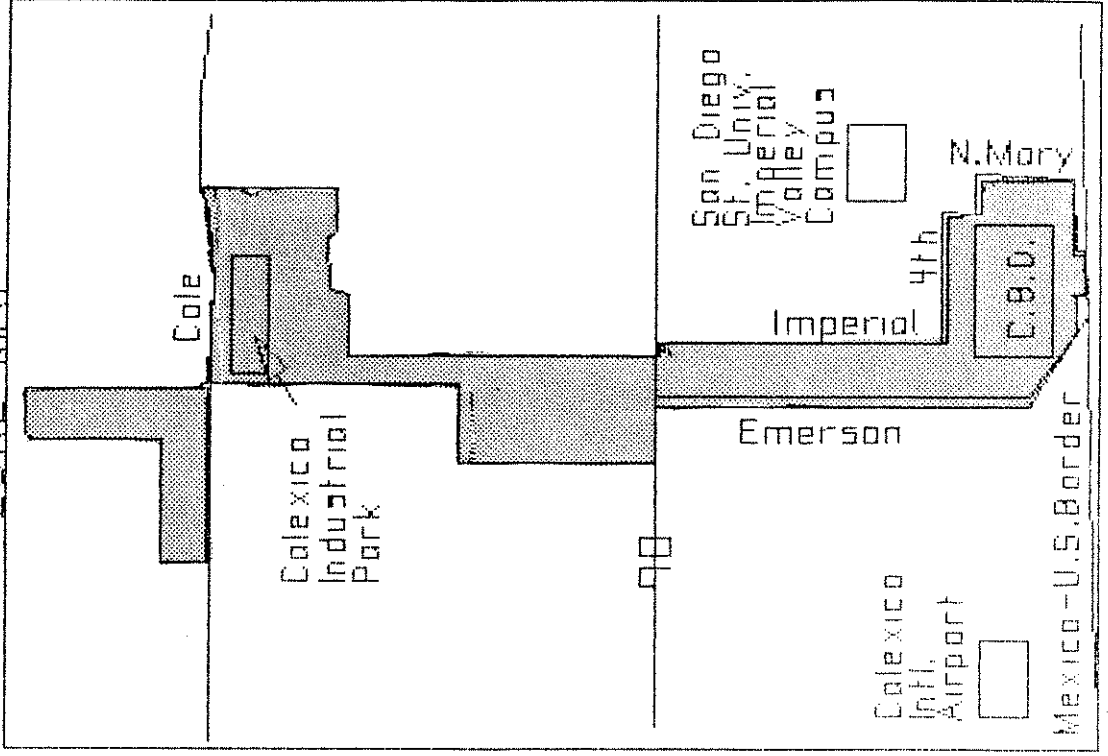


CALEXICO. 3.3 SQ. MI.

REGIONAL LOCATION



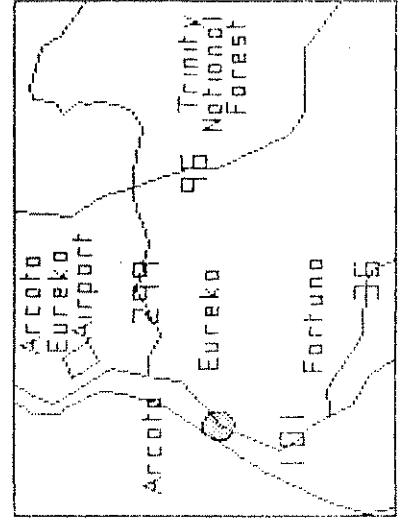
ZONE MAP



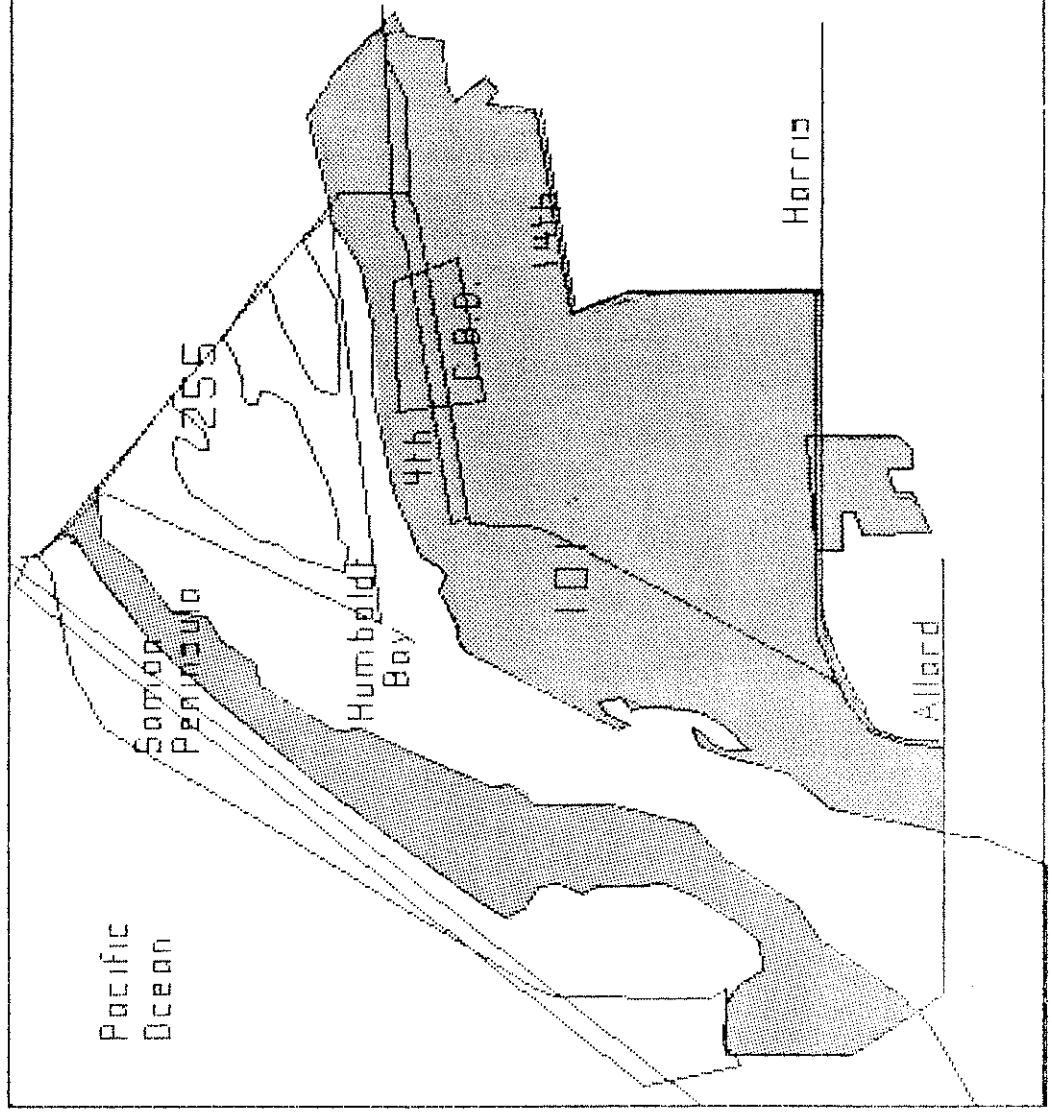
EUREKA

8.3 SQ. MI.

REGIONAL LOCATION



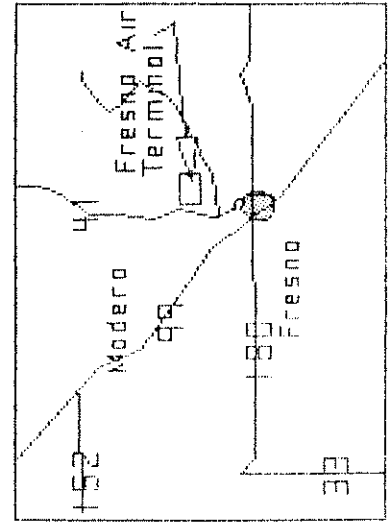
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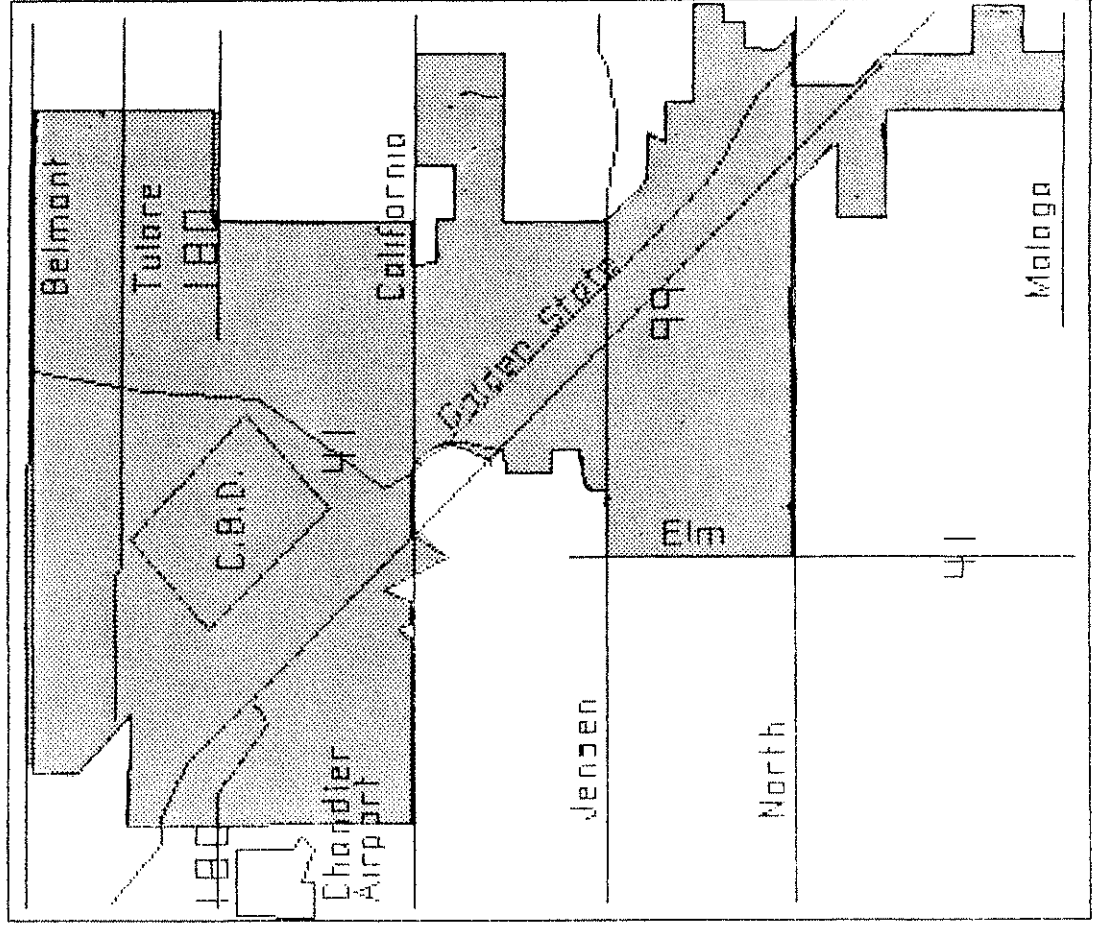
FRESNO

9.7 SQ. MI.

REGIONAL MAP



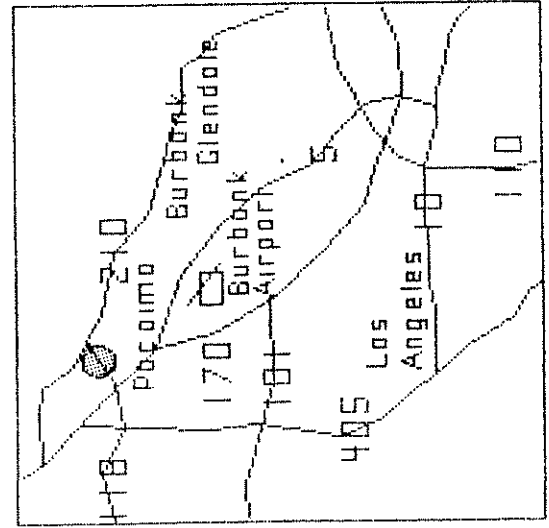
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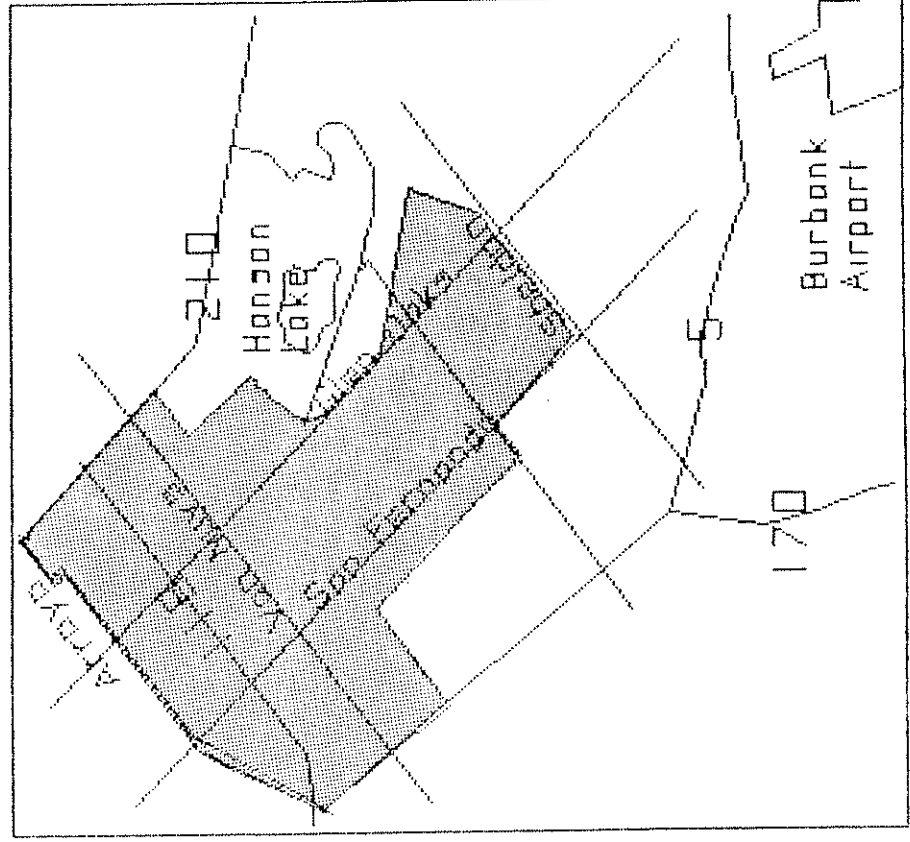
PACOIMA

5.7 SQ. MI.

REGIONAL LOCATION



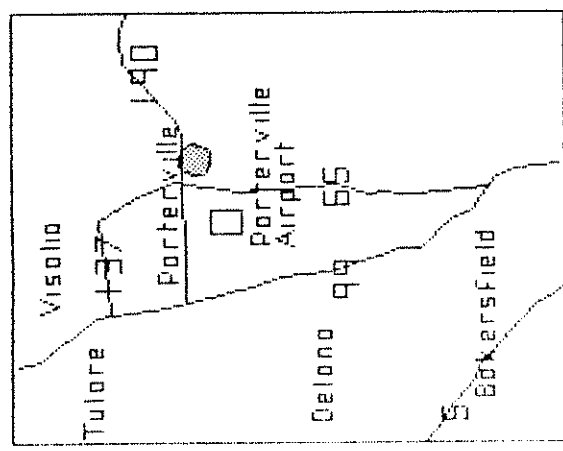
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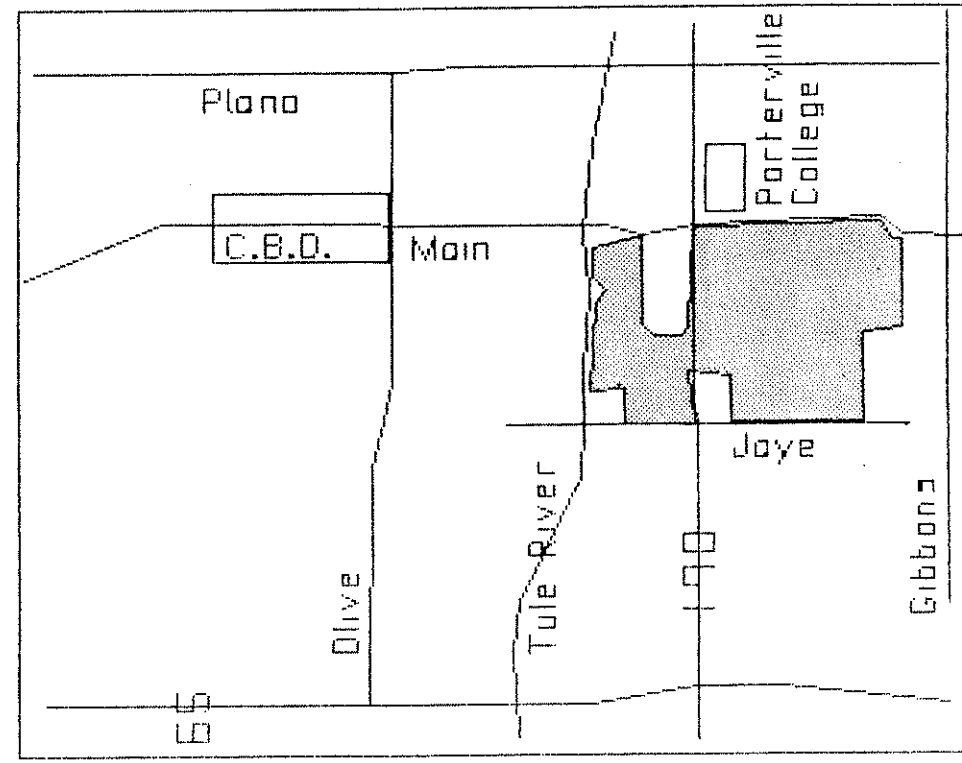
PORTERVILLE

0.4 SQ. MI.

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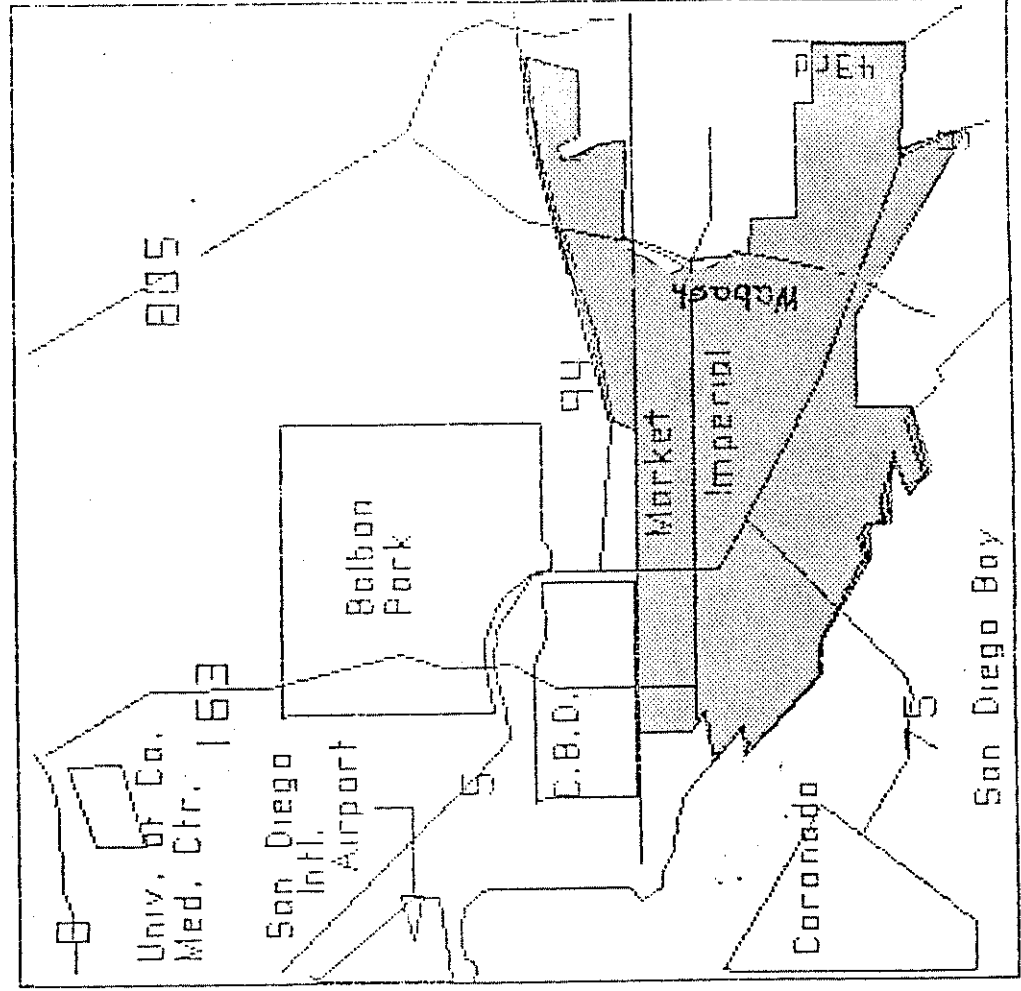
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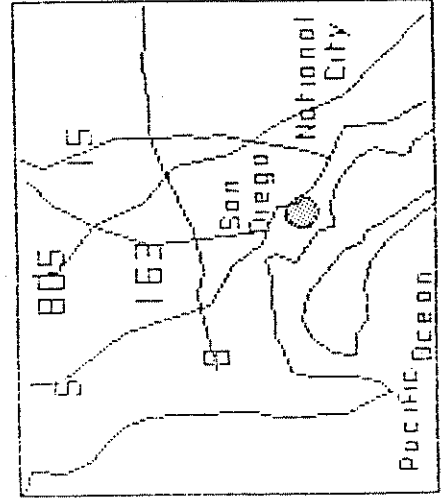
SAN DIEGO

5.84 SQ. MI.

ZONE MAP



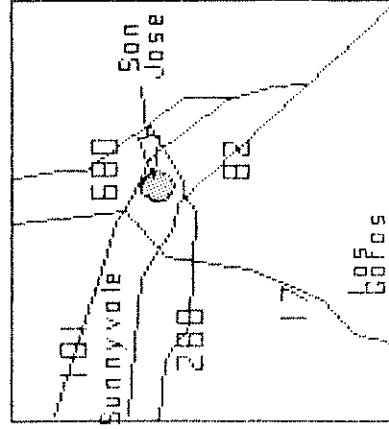
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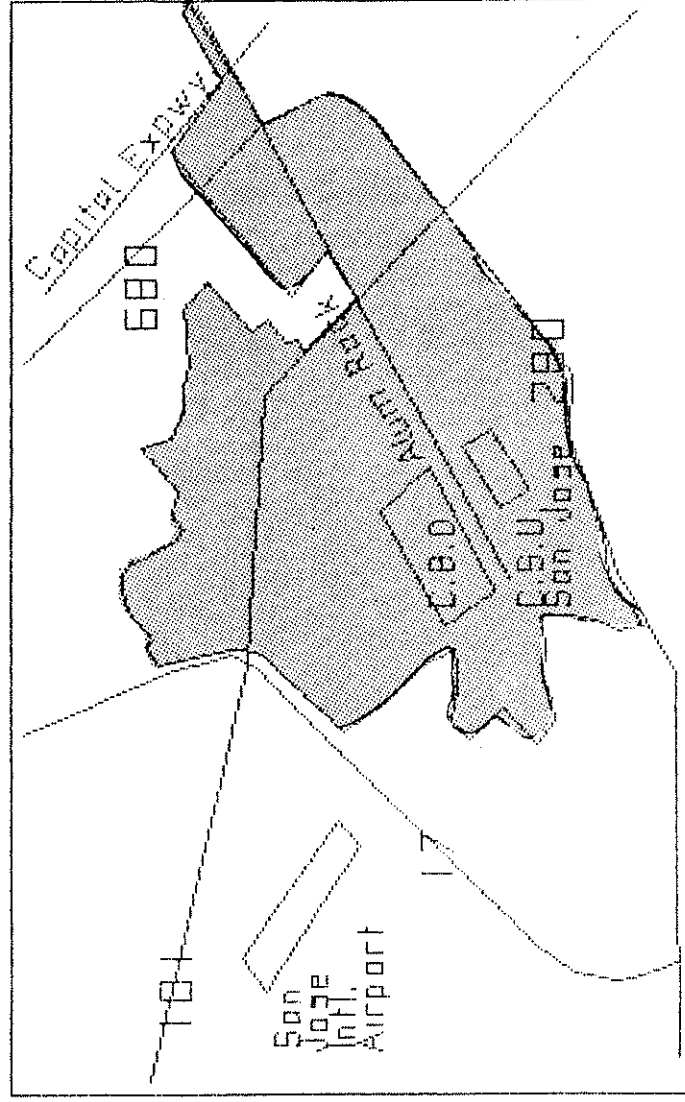
SAN JOSE

15.7 SQ. MI.

REGIONAL LOCATION



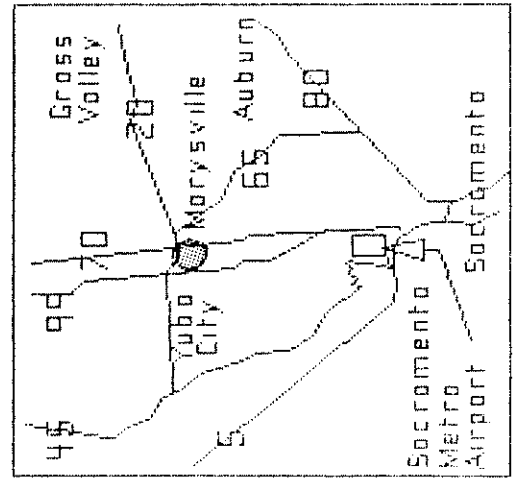
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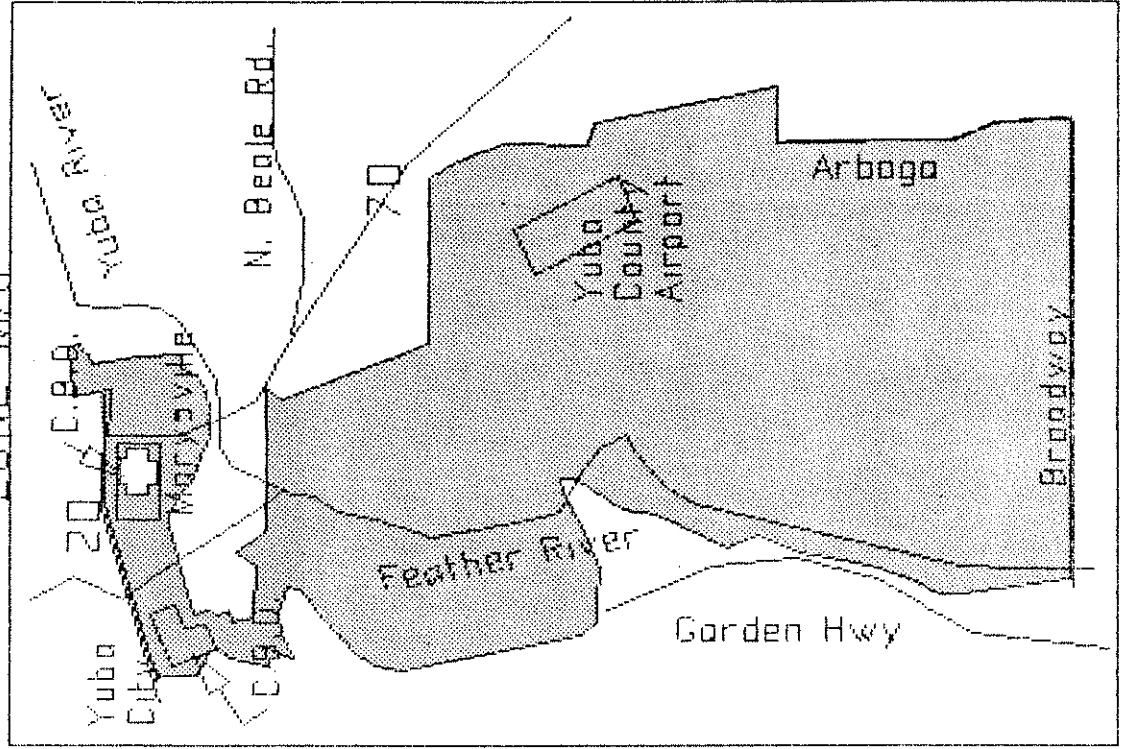
YUBA/ SUTTER

11.0 SQ. MI.

REGIONAL LOCATION



ZONE MAP



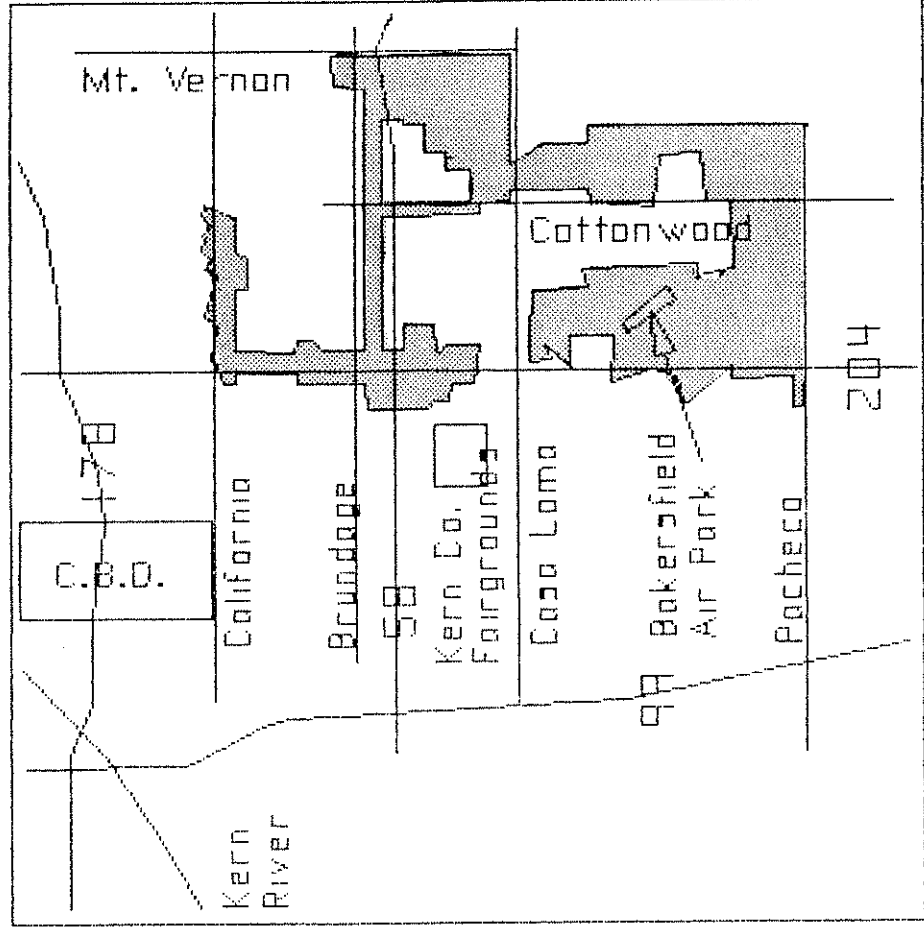
CALIFORNIA EMPLOYMENT INCENTIVE AREAS



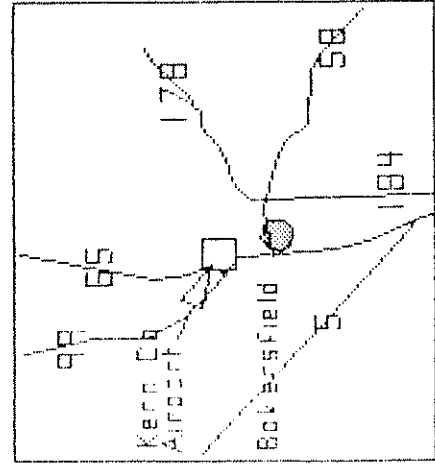
BAKERSFIELD

4.0 SQ. MI.

PROGRAM AREA

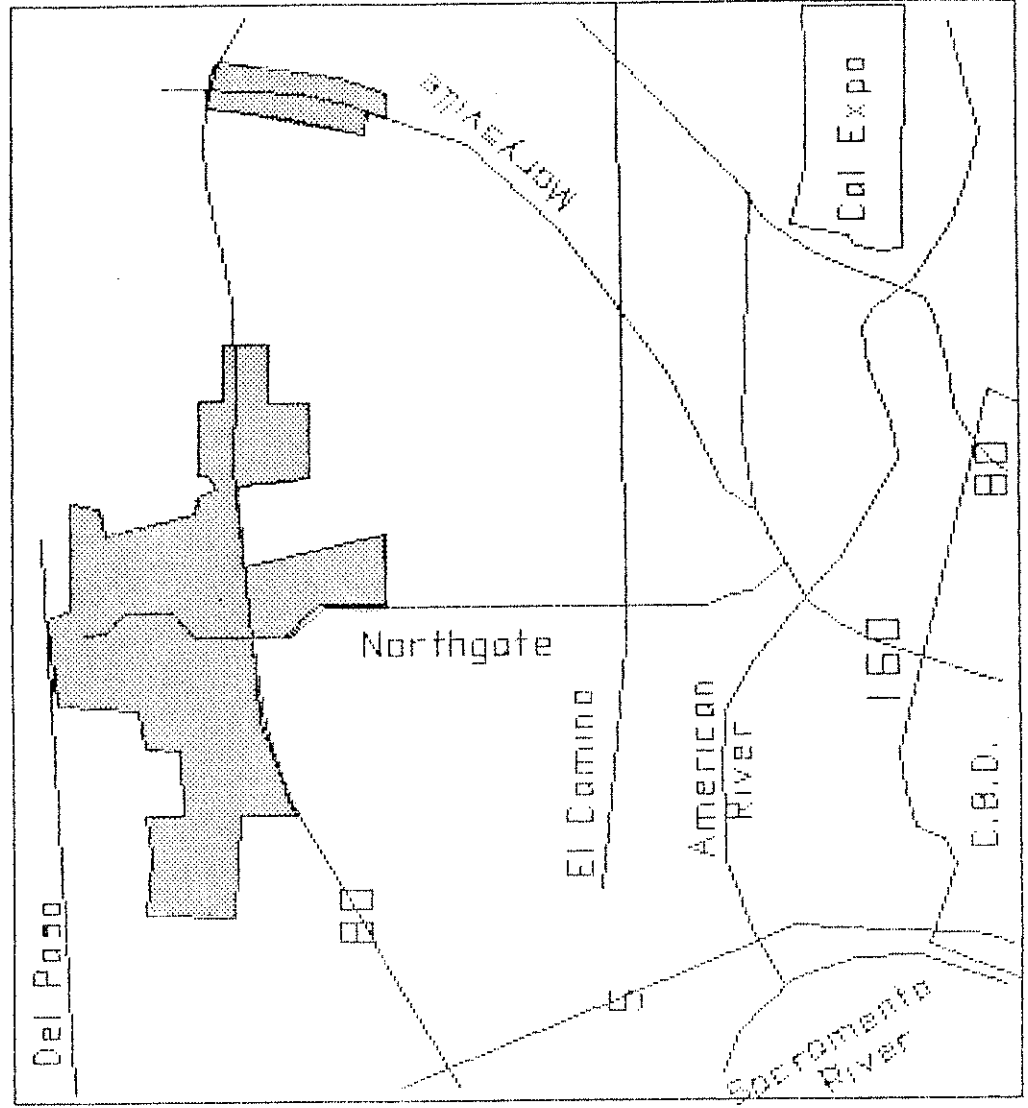


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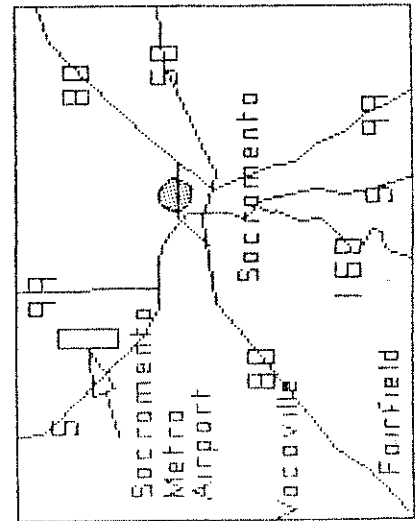


DEL PASO HTS. PROGRAM AREA

2.8 SQ. MI.



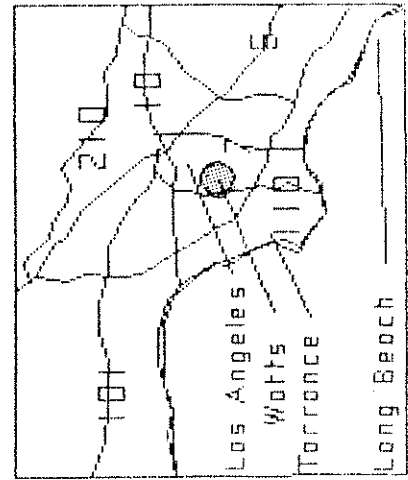
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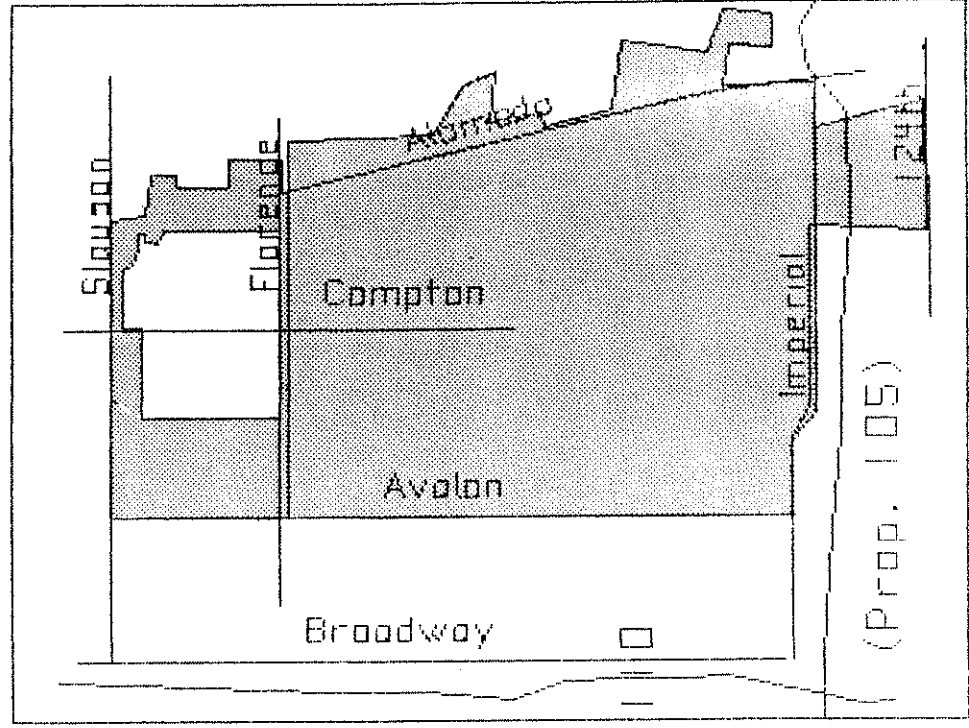
WATTS

7.0 SQ. MI.

REGIONAL LOCATION



PROGRAM AREA



ENTERPRISE ZONE CONTACTS

| <u>COMMUNITY/CONTACT</u> | <u>PHONE</u> | <u>ADDRESS</u> |
|---|---------------------------------|--|
| AGUA MANSA Marc Grisham Riverside County | 714-787-2035 | Director, Economic and Community Development Dept., P.O. Box 1180, Riverside 92502 |
| Thomas Laurin San Bernardino County | 714-383-1215 | Director, Dept. of Housing and Community Development, 474 W. 5th St., San Bernardino, 92415-0040 |
| CALEXICO Oscar Rodriguez | 619-357-2622 | City Manager, 408 Heber Ave., Calexico 92231 |
| EUREKA Dennis Ivey | 707-443-7331 | Redevelopment Coordinator, City of Eureka, 531 K St., Eureka 95501-1165 |
| FRESNO Dennis Gaab | 209-488-4503 | Economic Development Manager, City of Fresno, 2300 Tulare St., Ste. 210, Fresno 93721 |
| LA, CENTRAL CITY Jasper Williams | 213-485-0722 | Enterprise Zone Program Manager, City of Los Angeles, Community Development Dept., 215 W. 6th St., 3rd Flr., Los Angeles 90014 |
| LA, PACOIMA Lupe Vela | 213-485-2956 | Enterprise Zone Program Manager, City of Los Angeles, Community Development Dept., 215 W. 6th St., 3rd Flr., Los Angeles 90014 |
| PORTERVILLE Guy Huffaker | 209-784-1400, Ext. 466 | City Manager, P.O. Box 432, 291 N. Main St., Porterville 93258 |
| SAN DIEGO Michael Jenkins | 619-236-6089 | Enterprise Zone Coordinator, City of San Diego, 1200 3rd Ave., Ste. 1620, San Diego 92101 |
| SAN JOSE William Claggett | 408-277-4744 | Director of Economic Development, City of San Jose, 801 N. First St., Ste. 408, San Jose 95110 |
| YUBA/SUTTER Tom Hart | 916-741-6463 or 916-741-6280 | Enterprise Zone Director, Yuba County Airport & Industrial Development Department, 1482-A Sky Harbor Dr., Marysville, 95901 |

EMPLOYMENT INCENTIVE AREA CONTACTS

| <u>COMMUNITY/CONTACT</u> | <u>PHONE</u> | <u>ADDRESS</u> |
|--|--------------|--|
| BAKERSFIELD/KERN Guy Greenlee Kern County | 805-861-2041 | Principal Planner, Community Development Program Dept., 1415-18th St., 2nd Flr., Bakersfield, 93301 |
| Paul Shillcock City of Bakersfield | 805-326-3765 | Principal Planner, Economic Development/ Redevelopment Div., 1501 Truxtun Ave., Bakersfield 93301 |
| LA, WATTS Christine Figueroa | 213-725-7361 | Development Specialist, Community Development Commission, County of Los Angeles, 1436 Goodrich Blvd., Commerce, 90022 |
| SACRAMENTO Cynthia Shallit | 916-440-1355 | Enterprise Zone Coordinator, Sacramento Housing and Redevelopment Agency, 630 I St., Sacramento 95814 |

FRANCHISE TAX BOARD

GENERAL TAXPAYER QUESTIONS:

| | |
|------------------------------|--------------|
| Southern California | 800-852-5711 |
| Northern California | 800-852-7050 |
| Sacramento Metro Area | 916-369-0500 |
| Out of State (not toll free) | 916-369-0500 |

SPECIALIZED OR TECHNICAL QUESTIONS:

| | |
|-------------|--------------|
| Peggy Jolly | 916-369-3464 |
|-------------|--------------|